"Mtuko wa Elimu ya Msingi"—or the Community Education Fund—was started in 1995. It was extended as one of the two key components under the Human Resources Development Project (HRDP) launched in 1997. The HRDP is a pilot project undertaken by the Government of Tanzania and financed by a $20.9m World Bank IDA credit. It is intended to pilot solutions to some of the key problems of access and quality that characterize the Tanzanian education system.

What was first regarded with skepticism has now expanded four times beyond its original target and is emerging as a viable solution to the issues of funding, improving primary education and increasing community involvement.

The Tanzanian education system

Despite being one of the poorest countries in Africa, Tanzania achieved dramatic increases in primary school enrolment during the first two decades of independence and gross enrollment rose from less than 50 percent in 1961 to perhaps as high as 95 percent in 1976. However, economic decline and public sector mismanagement contributed to a sharp decline in enrolments and quality. By the mid-1990s, enrolments were below 80 percent and falling fast, and the system was failing to deliver functioning schools in many communities, threatening to jeopardize wider social and economic development.

The performance of the education system was further negatively affected by several factors including the shortage of resources necessary for system financing, decline of quality of educational inputs and reduction of public financing for non-salary expenditure items. The reduction of public financing provoked an expansion of various fees and levies on parents, thus affecting the demand for education. The quality of service delivery was also affected by distorted institutional arrangements and resources rarely reached schools on time, if at all. The few resources available for quality control, monitoring and supervision at the district and school level means that communities are effectively excluded from all issues of education of their children and the management of resources. This has led to a lack of both educational and fiscal accountability at the school level.
CEF design

The Community Education Fund or CEF is a matching fund program designed to increase the allocation of public funding for non-salary expenditures at school level and empower communities to improve their primary schools. The five-year project is backed by US$5.1m from a World Bank credit, and a further US$3m anticipated in community contributions. The important features of the CEF are the direct allocation of funding to primary schools, the matching of community contributions with funding allocated from the CEF, preparation of three-year school development plans, prioritization of school development objectives within these plans, the active role of school boards and village committees at all stages of the process, with the ultimate decisions on participation in the program and development plans taken through community meetings.

Initially, the project was to reach 355 schools in 5 districts, or approximately 3 percent of Tanzania’s primary schools. Today, the CEF is being implemented in 1,635 schools across 16 districts, reaching more than 570,000 children.

Implementation mechanism: the cascade approach

The starting point for the implementation of the CEF was a sensitization campaign. This used a 'cascade' approach, whereby the project’s rationale, objectives and procedures were communicated to the various stakeholders through the local education sector hierarchy. The procedure is as follows: a community meeting is convened by the elected school committee at which the community formally agrees to participate in the project. The community then identifies its education needs and priorities in a rolling three-year plan. The plans can include both capital and non-salary recurrent expenditures, and usually identify school construction and rehabilitation, classroom furniture, and learning materials as key priorities. A consolidated cash contribution is agreed upon, either on a household or per capita basis, towards the community fund. Income from the school garden, local fundraising activities, and contributions from businesses can augment these funds.

Implementation mechanism: matching grants and district support

The funds that are mobilized at the community level are deposited in a school bank account, after which they are matched by a government grant, up to a ceiling of 6,000 Tanzania shillings (Tsh) per pupil enrolled. The matching grant is provided on a sliding scale starting at 1:1, with poorer communities usually receiving grants at a ratio of 2:1. Communities building classrooms, latrines and other facilities, receive technical assistance from district-level specialists, who ensure that minimum quality standards are adhered to. District education officers are also required to make regular site visits to ensure that funds are being utilized responsibly, school plans are being updated and that regular meetings are being held. Within the community, school accounts must be publicly displayed as a way of promoting accountability and further insuring against misuse of funds. In addition, twice-yearly meetings are held in the community to review progress against the school plan, and adjust it where necessary.

CEF achievements and impact

The number of schools in the CEF program has increased from 264 in 1998 to 355 in 1999, in line with the projections in the pilot design. During 2000 the CEF expanded to a further 11 districts reaching 1,635 schools. By the end of 2000, the CEF has disbursed more than US$2m of credit funds, that were matched by about US$1m of local contributions.

The funds generated by the CEF were primarily used for rehabilitation and construction of additional classrooms, latrines, purchase of desks (86 percent of the CEF funds), housing for teachers (8.5 percent). A small proportion of the funds has also been used for quality-related investments such as teaching materials and teacher training. As most of the schools have been participating in the project for a very short time, it is premature to arrive at definite conclusions about the overall impact of CEF on learning achievements or the quality of schooling. This will
be feasible only over a long time and when a concerted effort is made towards quality-related investments.

The Impact Evaluation of the HRDP, carried out in November 1999, covered schools in the first five districts participating in the CEF program. It made a systematic attempt to measure progress against the project’s core expected outcomes. The key findings of the Impact Evaluation were as follows:

- **Improved financing and financial management:** The non-salary funding to primary schools has increased. In Mtwara Rural and Sumbawanga Urban, average per student spending has approximately doubled under the CEF, when comparing financial year 1995/96 with 1998/99. In 1998, CEF schools spent an average of 3,534TSh per student on non-salary expenditures, more than four times the average non-salary spending of 759TSh in non-CEF districts in Tanzania. In general, resources mobilized for the CEF have remained at the community level and been used for their intended purposes. This has been critical in securing ongoing community support for the project.

- **School environment for learning:** In many communities where it is operating, the CEF has financed a significant improvement in the school environment. These funds were urgently needed for improvements in the school environment. In many cases, these school improvements are generating an enthusiastic response from communities, who feel a renewed pride and interest in their schools.

- **Increased parental involvement and improved school management:** In many cases, community ownership, participation and accountability in education have been enhanced. An overwhelming majority of communities are meeting the minimum requirement of developing school plans, and many are actively assisting in monitoring their implementation.

### Implementation problems

Implementation of the CEF during the first two years identified several issues and risks that need to be continuously monitored and to be taken into account when the CEF is replicated or when such a development instrument is used in other environments. The most important general observation is that the CEF project should be dealt with as a school-level management reform and capacity development program and not merely as a mechanism for the allocation of finding for certain non-salary items at the school level. Therefore, the implementation design of the CEF should include a broad and comprehensive set of actions and activities at the community level - technical assistance in particular. If this general project strategy is absent, the risks of low participation in the project, non-realizable development plans, capture of the process by elite groups etc. increase substantially. Specifically, the following activities may be recommended for further CEF successful implementation.

### On-going sensitization

Continuous community on-going sensitization, training and support during the project implementation is needed in order to preserve truly participatory school management. Weak traditions of community involvement in school management have resulted in a significant risk that school development plans, decisions on community contributions etc. might be taken in a purely mechanical and non-participatory way. Efforts need to be made in order to assist local community initiatives and develop initial community-level capacity to identify and rank own priorities, needs in school development and to implement these plans, even when funding is provided.

**Flexibility in methods for reaching weak and poor communities:**

There is need for additional technical assistance and advice to be provided to weak and poorly-structured communities. It is clear that some of the communities—due to territorial spread, institutional or socio-economic factors (poverty) — will not be able to consolidate their efforts and come up with prioritized school development plans and/or generate the necessary contributions to be matched by CEF funds. Such communities need additional support in order to consolidate their efforts. Targeted schemes of participation of these communities in the CEF should be put in place, using either a reducing matching ratio, permission to provide in-kind or labor contributions etc.
The cascade approach should be replaced with ongoing project implementation support at various levels, especially for communities, using specially trained professional staff and consultants skillful in participatory and information techniques. Regular administrative staff of the local education offices are often burdened with numerous other responsibilities and also cannot step away themselves from their regular administrative responsibilities in order to perform a special facilitatory/training role for the CEF.

Local Government Reform Program: The expansion of the CEF is taking place in the context of the Local Government Reform Program (LRGP) and ongoing civil service reforms, which have potentially far-reaching implications for the education sector. There is obviously substantial potential for synergies here.

Sustainability

The main outcomes of the CEF programs are first, communities that are capable of increased involvement in educational management issues at the school level and improvements in the school environment. Several key elements are needed in order to make these developmental outcomes sustainable.

First, the project should be properly implemented and community-level capacity building should be the key priority of project activity. Bringing in NGO expertise in the process and building partnerships between them and local educational authorities could be an important prerequisite of such success.

Second, the overall institutional framework for the delivery of education should be based on empowering the communities to participate in certain aspects of educational management. There should be sufficiently de-concentrated administrative and local government framework for the good governance of the educational sector; fiscal flows should permit the allocation of public funding for use by the communities; and there should be a sufficiently effective financial infrastructure to process and account for the fund flows to school level.

Third, it is essential that the CEF scheme be implemented through the existing public institution of educational management, including the Ministry of Education, district fiscal and educational authorities. This requires significant change in the way that these authorities function and therefore the CEF project should pay significant attention to capacity building at the district educational and fiscal offices.

Conclusion

The CEF faces many challenges and problems, but if it can survive, be effective and reach a larger proportion of schools in Tanzania while addressing issues of quality, poverty and equity, it can become a model for other countries to follow. Its impact on enrollment, community participation and learning have already been demonstrated. From a purely bureaucratic perspective, the CEF may not have reached all its targets, but for the children and parents who partner in this initiative, it seems to have made a world of difference.

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